State Lotteries: Gambling With the Common Good

By Julia Fleming

While their regressive burden upon the disadvantaged is a strong ethical reason for rejecting state lotteries, we should also consider the messages that their promotion conveys to the community as a whole. Lotteries, as alternatives to taxation, undercut the development of civic virtues and social responsibility.

Within the last fifty years, state governments in the United States have made a radical change in their policies towards gambling, as evidenced especially in their sponsorship of lotteries. Today, ninety percent of the U.S. population lives in lottery states; in 1960 no Americans did. As Erik Owens has observed, “Every action the government takes, every policy the government makes, conveys certain values to its citizens.”1 So, what values are state governments indirectly endorsing, or at least tolerating, in their new reliance upon lotteries as a source of revenue? Does governmental promotion of lotteries exploit the weaknesses of problem gamblers, prey upon the disadvantaged, and encourage a superstitious belief in lucky numbers? In a broader sense, do lotteries, as alternatives to taxation, undercut citizens’ development of civic virtues and social responsibility?

Roman Catholic social thought provides a helpful vantage point from which to consider the ethics of state lotteries as a regular revenue source. The tradition’s general principles, especially its emphasis upon civic responsibility and the importance of social virtues, suggest that reliance on the lottery poses a risk both to vulnerable citizens and to the character of the community as a whole. Because of this, one might accurately describe state lotteries as a gamble with the common good.2
The Roman Catholic tradition does not provide a simple yes or no answer to questions about the morality of gambling. Some forms of gambling (e.g., Russian roulette) are certainly wrong, as are some gambling practices, such as cheating. But in these cases it is the risk to life or the defrauding of others that is objectionable rather than gambling as such. The 1994 *Catechism of the Catholic Church* points out the dangers of a gambling passion without concluding that it is always wrong to participate in games of chance. Instead, the Catechism explains that gambling becomes wrong when the gamblers risk money that they need to provide for themselves or others. Illegitimate gambling misdirects money needed for necessities into a discretionary purchase. In principle, buying lottery tickets with one’s grocery money is no different from buying movie tickets, baseball tickets, cruise tickets, or any other luxury items under similar circumstances. Thus, the rightness or wrongness of playing the lottery often depends upon the intentions and the financial resources of the purchaser.3

Beyond the level of the individual participant, however, we encounter other ethical questions regarding how the government should respond to gambling. These questions involve complex judgments about what policies will best serve the common good under particular circumstances, especially since public resources are limited. Because of differences in culture and in local economic conditions, not all communities will adopt the same policies about the legalization, regulation, or taxation of various games of chance. Thus, it is not surprising that there is no official Catholic teaching on specific governmental policies regarding gambling (although individual bishops or groups of bishops have sometimes responded publicly to gambling proposals within their dioceses). Instead, Catholics must usually evaluate these policies by applying a more general principle—the responsibility of government to pursue the common good, which includes the welfare of all individuals and groups within the community. This emphasis upon the common good provides a criterion for evaluating civic choices about gambling.

However, in America today state lotteries are not only regulated by state governments, but also sponsored by state governments. This distinguishes lotteries from other types of activities that communities try to regulate and limit by imposing levies (colloquially known as “sin taxes”) on their purchasers. While it is true that governments use both lotteries and sin taxes to raise money, states do not create products such as Wyoming Wine Coolers or Massachusetts Menthols; nor do they issue public service announcements designed to encourage drinking and smoking. By contrast, lotteries require the ongoing development of games and promotional strategies, in addition to the administrative costs associated with any governmental activity.4 For this reason, ethical questions about lotteries in the United States today are necessarily questions about government and its role in promoting the common good. Is running a lottery an appropriate activity for government? Do
State lotteries discourage the development of civic virtue by funding public enterprises with an invisible tax upon lottery players instead of asking all citizens to take financial responsibility for their community’s needs?

**THE ROLE OF GOVERNMENT**

Establishing priorities, especially under today’s economic conditions, is one of the most important ways in which state governments serve the common good. When resources are limited, public servants must make difficult and often painful decisions about where to spend state revenues. Given that government cannot do everything, is running a lottery an appropriate use of public funds? (People often think of lotteries as a way to raise money, but it is important to remember much of that income disappears into prizes, promotions, and administrative costs). Ironically, with their lotteries, most state governments now exercise a monopoly on a product that was illegal only fifty years ago. At a time when communities must trim, eliminate, or privatize traditional services, should state governments remain in the gambling business?5

The question of state lotteries, therefore, fits quite logically into the ongoing American debate about the appropriate role for government. Yet whatever our personal conclusions about that subject, surely we can all agree on one thing: government should not harm or take advantage of the people that it exists to serve. By encouraging citizens to play the lottery, is a state government promoting or undermining their interests? There are several strong reasons to conclude that the impact is negative rather than positive.

First, in any lottery, one or a few ticket buyers will win only because most of the game’s other players have lost. In promoting lotteries, state governments are encouraging people to risk money, with the understanding that the wager will probably bring them no direct return, and that any success will come at the expense of their fellow participants. Why should a state-sponsored lottery compete for money that citizens could use to reduce their debts, build their savings, support charitable causes, or spend in other community businesses?

Moreover, research indicates that lottery losses are not evenly distributed among the population, or even among lottery players. A relatively small group

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of hard-core participants purchase most tickets, so that five percent of the
players account for over half of the revenues. When members of this group
are problem gamblers who wager more than they can afford, the results can
be disastrous, not only for themselves, but also for their families. (Ironically,
in recognition of this, some states assign part of their lottery proceeds to the
treatment of problem gamblers). In addition, although people from all eco-
nomic groups play the lottery, poorer people spend a higher percentage of
their income upon tickets than their affluent neighbors. Lottery participa-
tion also decreases with education. This means that a successful state lottery
derives a disproportionate share of its revenue from persons who are already
economically disadvantaged.\(^6\) With the lottery, state governments are not
only encouraging their citizens to risk their money, they are also promoting
a product that has proven most attractive to those who have the least to lose.
Such exploitation undermines the covenant that should unite a government
with the citizens it serves.

**Lottery Lessons**

While their regressive burden upon the disadvantaged represents a
strong ethical reason for rejecting state lotteries, we should also consider
the messages that their promotion conveys to the community as a whole.
If, as Owens’ work suggests, a government educates through its policies,
then we should think carefully about what a state-sponsored lottery teaches,
even indirectly. Do we really feel that our society would be better, our fami-
lies would be better, and our individual characters would be better, if only
people gambled more? Charles Clotfelter and Philip Cook have pointed out
that we would never accept a public school textbook that urged our children
to pursue easy money by relying on their hunches.\(^7\) Why should we teach
one thing in our schools and another in our lottery advertising?

From a theological perspective we must also ask whether state lottery
promotions encourage a superstitious belief in lucky numbers. (While many
lotteries are random drawings, others allow and encourage participants to
choose numbers that hold special meaning for them). But what could possi-
bly make certain numbers “lucky,” so that birthdates or other numerical
coincidences offer clues about upcoming lottery results? And how do the
operations of luck relate to the workings of Providence? The theological and
philosophical nature of these concerns makes governmental sponsorship of
such advertisements even more troubling. State governments should not
preach the good news of lucky numbers, or exploit people’s superstitions,
even if the message is only the byproduct of an attempt to raise revenue.
What would we think if public service announcements tried to sell us a
map to the end of the rainbow with the promise that a lucky few would
find a pot of gold?

But if a belief in lucky numbers represents one negative lesson from the
lottery—and one that might be avoided by using purely random drawings—
the civics lesson that the lottery provides raises even more troubling questions. At root, reliance on the lottery is an issue of communal character. How does a just community balance its budget? How does state sponsorship of a lottery support or undermine the development of civic virtue?

**Impediment to Civic Virtue**

The Catholic ethical tradition assumes that human beings are social by nature—that individuals and groups flourish only in relationship to one another. Because human communities require organization, the emergence of institutions (including government) is a natural development in the history of human societies, a reflection of the necessary relationship between individual and communal welfare. The Second Vatican Council emphasized the reciprocal character of personal and social growth, pointing out that human beings develop their potential through social interaction. The Council also insisted that all entities within society, from individuals and families to corporations and civic organizations, have a responsibility to serve the common good, which creates the conditions necessary for personal and social development. (The public schools that offer access to an education, for example, also enable their graduates to “give back” to the community, so that the next generation of children will enjoy the same opportunities). Part of our responsibility to the common good is financial, with individuals contributing goods and services, and government overseeing a just distribution of benefits and burdens, including taxes. But this responsibility to the common good, far from being a sentence to civic martyrdom, represents such a significant benefit to individuals that Catholic social teaching describes it as a right. Persons, argued Pope John XXIII, have a right to contribute to the common welfare. The U.S. Catholic Bishops have insisted upon society’s “duty to enable them to participate in this way.” Thus, those denied the chance to contribute to the common good are the victims of a serious injustice.

When it comes to taxes, of course, this claim seems counter-intuitive at best. Many who cherish their opportunities to vote and to express their views freely would gladly surrender their “right” to make compulsory financial contributions to the common good. Even those who acknowledge their debt...
Contributions to the common good are not gifts to be made when we feel generous, but obligations we owe to our fellow citizens as a matter of justice. Fulfilling these obligations helps us not only to improve our society but also to improve ourselves.

Aquinas’s theory of virtue indicates why the right to participate in civic life, including the “right” to pay taxes, is so important. The chance to participate, to contribute to the common good of one’s community, is an opportunity to develop one’s civic virtues. Just as no one becomes a virtuoso pianist without spending hours in the practice room, no one can become a good citizen without participating in the development of the common good. To rob persons of this chance strangles a vital element of their character. It hinders their efforts to become the persons that God is calling them to be.

Such a theory of civic virtue and the common good has important implica-
tions for our assessment of state lotteries. Imagine this scenario: states develop a new lottery system that appeals primarily to the affluent, does not foster compulsive gambling or superstition about numbers, flourishes without advertising, produces stable revenues without need for expansion, increases the profits of other businesses, encourages charitable donations, discourages illegal gambling, and avoids or even reverses all of the other negative consequences commonly mentioned by lottery detractors. Even under these ideal circumstances, the importance of civic participation questions the wisdom of recourse to lotteries as a regular fundraising method. Lotteries circumvent the process by which individuals can develop civic virtues by contributing directly to the common good.

A governmental request to support the community with taxes acknowledges that the welfare of the community is each person’s concern. Like a summons for jury duty and the ballot box, a tax bill serves as a physical reminder of the moral connection that links all human beings. Contributions to the common good are not gifts to be made when we feel generous, but obligations that we owe to our fellow citizens as a matter of justice. Yet fulfilling these obligations (and, thereby, sharing in the development of the common good) helps us not only to improve our society but also to improve ourselves. Serving the common good can foster civic virtues. Social beings require civic virtues if they are to become good persons. Character and common good thus remain inextricably intertwined.

THE FUTURE OF STATE LOTTERIES

A primary attraction of state lotteries is that they provide revenue without raising taxes. Given the budget crises facing many local governments today and the current tax-increase antipathy, it is hard to imagine that our lottery states will abandon their sponsorship of gambling in the near future. But this does not mean that Christians should accept such lotteries as a permanent part of the American landscape. How a community raises the money to pay its bills is morally significant. If the projects that the lottery supports are essential to the common good, citizens deserve the chance to take responsibility for their community’s welfare by funding them directly. If they are not essential, then the risks associated with the lottery (such as an increase in problem gambling) outweigh the benefits of whatever luxuries it provides.

Admittedly, giving up the proceeds of a lottery represents a risk for a state government. But this risk—a gamble on civic virtue—respects the capacity of the community to recognize and embrace its responsibility for the common good. It is an opportunity for growth in civic virtue with the potential to benefit individuals and society as a whole. As the U.S. Catholic bishops explained in their famous pastoral letter on economic justice, “the virtues of citizenship are an expression of Christian love more crucial in today’s interdependent world than ever before.”12

2 The original version of this article, entitled “Gambling with the Common Good: State Lotteries from the Perspective of Roman Catholic Social Thought,” appeared in Practical Theology: Perspectives from the Plains, edited by Michael G. Lawler and Gail S. Risch ( Omaha, NE: Creighton University Press, 2000), 185-203. I am grateful to Academic Vice President Patrick Borchers of Creighton University for permission, on behalf of the press, to publish this shortened and updated adaptation.


11 Thomas Aquinas, Summa Theologiae, First Part of the Second Part, Q 62, A 1 and A 3; Q 65, A 1; and Q 92, A 1, reply to objection 3.

12 Economic Justice for All, paragraph 66.

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